

Practice

For use with pages 362–367

For an account that earns simple annual interest, find the interest and the balance of the account. Round your answer to the nearest cent, if necessary.

1. $P = \$100$, $r = 3.5\%$, $t = 5$ years
2. $P = \$525$, $r = 6\%$, $t = 9$ years
3. $P = \$400$, $r = 4\%$, $t = 12$ years
4. $P = \$1100$, $r = 2\%$, $t = 15$ years
5. $P = \$900$, $r = 5\%$, $t = 45$ months
6. $P = \$1050$, $r = 3.1\%$, $t = 27$ months

Find the unknown quantity for an account that earns simple annual interest.

7. $A = \$875$, $P = \$500$,
 $r = \underline{\hspace{1cm}}$, $t = 30$ years
8. $A = \$1128.50$, $P = \$925$,
 $r = 5.5\%$, $t = \underline{\hspace{1cm}}$
9. $A = \$1213.60$, $P = \$800$,
 $r = 4.7\%$, $t = \underline{\hspace{1cm}}$
10. $A = \$2719.50$, $P = \underline{\hspace{1cm}}$,
 $r = 6.1\%$, $t = 20$ years
11. A \$700 bond earns 3.5% simple annual interest. What is the interest earned after 21 years?
12. Kendall loans Reagan \$500 and charges her 2% simple annual interest. Reagan promises to repay Kendall in 14 months. About how much will Reagan have to pay Kendall? Round your answer to the nearest cent.

Practice

For use with pages 362–367

- 13.** The table shows three accounts that earn simple annual interest. Complete the table by finding the unknown quantity.

Balance	Principal	Interest rate	Time
\$1286.25		7.5%	3 years
\$2610.85	\$2020	9%	
\$3742.50	\$3000		45 months

- 14.** You deposit \$250 into an account that earns 7.2% simple annual interest. After how many years will the account have a balance of \$700?

For an account that earns interest compounded annually, use a calculator to find the balance of the account. Round your answer to the nearest cent.

15. $P = \$900$, $r = 5\%$, $t = 3$ years

16. $P = \$4000$, $r = 8.2\%$, $t = 10$ years

17. $P = \$600$, $r = 9.3\%$, $t = 2$ years

18. $P = \$2000$, $r = 7.5\%$, $t = 20$ years

- 19.** You deposit \$575 into a savings account that earns 4.6% interest compounded annually. Use a calculator to find the new balance of the account after 4 years. Round your answer to the nearest cent.

- 20.** The accounts shown earn interest compounded annually. Which account will have the greater balance in the given time?

Account A	Account B
Principal: \$405	Principal: \$405
Interest rate: 7.2%	Interest rate: 5.3%
Time: 15 years	Time: 30 years